

GALLAGHER ARTHUR J & CO
 Form 4
 March 18, 2016

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
GALLAGHER J PATRICK JR

2. Issuer Name and Ticker or Trading Symbol
GALLAGHER ARTHUR J & CO [AJG]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
ARTHUR J. GALLAGHER & CO., TWO PIERCE PLACE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/16/2016

Director 10% Owner
 Officer (give title below) Other (specify below)
President & CEO

ITASCA, IL 60143

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	03/15/2016		G	V 7,500 D \$ 0	271,552	I	By Spouse <u>(1)</u>
Common Stock	03/15/2016		G	V 4,000 A \$ 0	196,972	I	By Trust <u>(2)</u>
Common Stock (restricted)	03/16/2016		M	7,950 D \$ 42.97	33,364	D	
Common Stock	03/16/2016		M	7,950 A \$ 42.97	42,559.842	D	
	03/16/2016		F	3,634 D	38,925.842	D	

Common Stock	\$			
	42.97			
Common Stock		58,173	I	By Irrevocable Trust
Common Stock		150,000	I	By Corporation

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
				Code V	(A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Non-qualified Stock Option	\$ 43.71	03/17/2016		A	62,900	<u>(3)</u> 03/17/2023	Common Stock 62,900
Phantom Stock	<u>(4)</u>	03/18/2016		A	20,907 <u>(5)</u>	<u>(6)</u> <u>(6)</u>	Common Stock 20,907

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GALLAGHER J PATRICK JR ARTHUR J. GALLAGHER & CO. TWO PIERCE PLACE ITASCA, IL 60143	X		President & CEO	

Signatures

/s/ April Hanes-Dowd, by power of attorney
03/18/2016

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) Shares held in revocable trust of which my spouse is sole Trustee and as to which I disclaim beneficial ownership.
- (2) Held in trust for benefit of children.
- (3) One-third of this stock option becomes exercisable on each of the 3rd, 4th, and 5th anniversaries of the grant date.
- (4) Each share of phantom stock represents a right to receive one share of Gallagher common stock.
- (5) The reported transaction resulted from the Company's allocation of an award to the reporting person under the Company's Age 62 Plan.

These shares represent awards under the Age 62 Plan, a nonqualified deferred compensation plan of the Company, which have been

- (6) deemed invested in Company common stock at the election of the reporting person. Participants vest in these awards when they attain age 62, or after a one-year period for participants who have attained age 61.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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